State of Maine Office of Securities 121 State House Station Augusta, Maine, 04333-0121

In Re:

Nitro Web Hosting Services, Inc., d/b/a Compassionate Clicks, and Lawrence B. Marcus

Petition for Cease and Desist Order

No. 11-007

The Staff of the Office of Securities ("the Staff"), by and through Karla Black, Principal Attorney, hereby petitions the Securities Administrator to issue a Cease and Desist Order against Nitro Web Hosting Services, Inc., d/b/a Compassionate Clicks ("Nitro"), and Lawrence B. Marcus ("Marcus") for violating 32 M.R.S. §§10401 and 16702(1). In support of this petition, the Staff states as follows:

Allegations

- 1. Nitro at all relevant times has been a company with a principal place of business at 105 Maxess Road, Suite 124, Melville, NY 11747.
- 2. Marcus is an individual residing in Farmingdale, New York, who has been at all relevant times president of Nitro.
- In or about July of 2002, a Maine resident received a phone call from a person identifying himself as John Eckersley ("Eckersley"), who stated that he represented Nitro.
- 4. Eckersley explained to the Maine resident that Nitro provided dial-up internet service and that the company was offering an investment opportunity consisting of a 30% return and 2500 shares of stock. Eckersley told the Maine resident that the company would be providing its services to non-profit groups, individuals, and churches and that some of its profits would go to a children's health charity.
- 5. On August 2, 2002, the Maine resident invested \$10,000 in a Royalty Financing Agreement with Nitro. The agreement provided the Maine resident with 2500 shares of Nitro common stock and the following options:
 - a. A 30% return on her investment that would be paid with principal upon the passing of one year and 60 days from the date Nitro had received the funds; or,
 - b. A 24% return on her investment that would be paid in monthly payments of \$200 with the return of her principal upon the passing of one year and 60 days from the date Nitro had received the funds.

The Maine resident chose the 30% return option.

- 6. The time for the return of the Maine resident's investment has passed, and the Maine resident has not received any funds back from Nitro or Marcus in connection with the investment.
- 7. On February 24, 2011, a letter was sent to Marcus via certified mail by the Staff. The letter requested information concerning the offering and sale of securities or interests by Nitro. The letter was returned to the Staff as unclaimed. On April 7, 2011, a new letter was sent to Marcus requesting the same information as the February letter, however, this time it was sent via regular mail. The letter was not returned, and the Staff has not received a response.
- 8. In February of 2000, the State of Missouri issued a Cease and Desist Order against Marcus for offering unregistered securities, transacting business as an unregistered agent, omitting to state a material fact in connection with the offer of securities, and misrepresenting a material fact in connection with the offer of securities.
- 9. At all relevant times, it has been unlawful to offer or sell a security in Maine unless the security is registered, exempt from registration, or a federal covered security. 32 M.R.S. §§ 10401, 16702(1).
- 10. The Royalty Financing Agreement and shares of Nitro common stock that Eckersley offered and sold to the Maine resident were securities. 32 M.R.S. §§10501, 16702(1).
- 11. At no time were the Royalty Financing Agreement or the shares of common stock registered in Maine, exempt from registration, or federal covered securities.
- 12. Every officer or other person who directly or indirectly controls a person who violates Maine securities laws is liable to the same extent as the person who commits the violation, unless the control person proves that the control person did not know and could not have discovered through the exercise of reasonable care the facts on which liability is based. 32 M.R.S. §§ 10602(3), 16702(2).
- 13. Nitro and Marcus are liable as control persons for the sale of unregistered securities described above.
- 14. Under 32 M.R.S. §§ 10602(1), 16702(2), the Securities Administrator may issue a cease and desist order against any person who has violated Maine securities laws if the Securities Administrator determines that the order is in the public interest.
- 15. The order requested here is in the public interest because it will protect Maine investors by deterring future violations by Nitro and Marcus and others and will foster public confidence in the securities industry.

Requested Action

The staff requests that the Securities Administrator order Nitro and Marcus to cease and desist from offering or selling securities in Maine in violation of securities registration requirements or otherwise in violation of Maine securities laws.

Date: December 14, 2011

Karla Black

Principal Attorney Office of Securities

State of Maine Office of Securities 121 State House Station Augusta, Maine, 04333-0121

In Re:

Nitro Web Hosting Service, Inc., d/b/a Compassionate Clicks, and Lawrence B. Marcus

No. 11-007

Notice of Rights

A disciplinary proceeding has been initiated against you before the Maine Securities Administrator pursuant to 9 M.R.S. §§ 9051-9062 and 32 M.R.S. § 10602. The attached petition contains the allegations against you and the type of disciplinary conditions and penalties that may be imposed in this proceeding. You have the right to a hearing on these allegations before any discipline may be imposed.

If you want to request a hearing, you must do so in writing within thirty (30) calendar days of the date of the attached petition. Your request for hearing must be sent by regular mail to the Securities Administrator at the Office of Securities, 121 State House Station, Augusta, Maine 04333. Upon receipt of a timely request for hearing, the Securities Administrator will provide notice regarding scheduling and conduct of the hearing.

Failure to request a hearing in writing within thirty (30) calendar days of the date of the attached petition will result in a waiver of the right to a hearing. If the right to a hearing is waived, the Securities Administrator may deem the allegations in the petition admitted and true and issue a final order imposing the discipline sought by the Staff without further notice or proceedings. 5 M.R.S. § 9053, 32 M.R.S. § 10708(2).